

5/21/18

To: Blue Ribbon Commission Members

From: Bruce Quinton, Pepin Area Schools District Administrator Re: Testimony to the Blue Ribbon Commission in Turtle Lake

I would like to thank the Blue Ribbon Commission members for giving me the opportunity to address your commission in regards to your work on funding for public education.

Pepin Area Schools strongly supports the SAA's recommendations to the Blue Ribbon Commission with special emphasis on the following recommendations.

- 1. Pepin Area Schools supports a CPI-based annual increase in revenues to align allowable revenue growth with school cost increases and the investments necessary to meet student needs. Indexing revenue growth to inflation will provide much needed fiscal predictability and sustainability in our school finance system. It has been an impossible task to do any type of long term planning for the past decade as school district's have had no idea what they will have to work with each two year cycle. This leaves fiscally responsible districts to assume no increase and this approach makes it impossible to be proactive in our approach in meeting our student's needs. We have been in a consistent mode of playing defense fiscally, as opposed to focusing on our student population's needs. Additionally, we have at times made reductions, where if we had known what funding to expect, we could have maintained student educational opportunities or more aggressively attempted to retain quality educators we have lost to other districts.
- 2. Pepin Area Schools supports additional relief for districts in declining enrollment through expanded hold harmless provisions, more flexible rolling averages for enrollment counts, and other possible relief measures. Small schools like Pepin do not have the same wiggle room larger districts have when enrollment declines. We only have one section of each grade level and are only able to offer a basic offering of elective classes beyond the required courses to graduate at the high school level. Costs like transportation, electricity, internet access and heating of the buildings does not change when we lose students. Those costs are fixed and continue to rise regardless of our student count on the third Friday in September.
- 3. Pepin supports increasing the secondary cost ceiling from its current 90% of

Pepin Area School's vision is "Encouraging a community of learners in a positive atmosphere where learning is a life long process which develops responsible citizens who value knowledge."

statewide average shared cost per pupil to at least 100% of the state average. It makes no sense from a policy standpoint that Wisconsin begins penalizing school districts under the equalization aid formula for spending at 90% of the state average. Additionally, Pepin supports the Fair Aid Coalition's proposal to set a floor of a guaranteed \$1000 per pupil in state equalization aid. Pepin bleeds 15% of our state aid each year because of our low student count and elevated property values. The state considers Pepin to be "rich" while the average income level in Pepin is well below the state average.

- 4. Pepin Area Schools supports increasing state categorical aid funding for special education to reimburse at least 30% of aidable costs. The current special education categorical aid appropriation of about \$369 million has been flat since 2008-09 and will remain at this level through at least 2019. The state reimbursement rate for special education costs has now fallen below 26 percent. Maintaining flat categorical aid funding while special education costs continue to rise effectively forces Wisconsin school districts to take more money annually from general aids and property taxes to pay for special education programming. The cost increases for providing students with disabilities a Free and Appropriate Public Education (FAPE) are mandated and rise much faster than the general cost increases for other district programming.
- 5. Pepin Area Schools supports gradually increasing pupil transportation aid until state reimbursement reaches 33% of prior year aidable costs. We also support creation of a second tier of support under the high-cost transportation aid program for districts with per pupil transportation costs between 125% and 150% of the state average. Geographically large, sparsely populated rural school districts that transport students significant distances have been hardest hit by increasing transportation costs. Transportation costs may vary widely among school districts, from less than \$100 per pupil in some districts to more than \$1,800 per pupil in others. This variability in cost for this state mandated service speaks to the need for greater state financial support. Between the state pupil transportation aid appropriation and the high-cost transportation categorical aid program, the state reimburses school districts about \$36.5 million annually, or roughly 10% of total school district transportation costs. I would argue that Pepin's higher than average cost to transport students puts Pepin Area School students at a significant disadvantage to students who come from densely populated areas of the state. More of our per pupil cost goes to transporting students and less gets to the classroom to educate students.
- 6. Pepin Area Schools recommends that Wisconsin revise its property tax bills to clearly identify for taxpayers the portion of the school tax levied to replace school aid deducted by the state to finance tuition for private school students through vouchers.
- 7. Pepin Area Schools supports changing provisions of the 2017-19 State Budget that allows, beginning in 2018-19, the parent of a pupil participating in the SNSP and the private school to agree to provide the pupil with services in excess of those prescribed in the pupil's most recent IEP. These expenditures must then be reimbursed by the resident school district and by the state. This "blank check" provision, completely lacking in any accountability to the resident school district or to the state,

- should be revised to reflect that expenditures for services provided outside of the IEP are not the responsibility of the resident district.
- 8. Pepin Area Schools greatly appreciate the school mental health investments made in the 2017-19 State Budget, but we believe a stronger, long-term commitment from the state is required to meet this challenge. Our county health and human services need to be fully funded to meet the needs of not only our children with mental health issues, but also the adults in our communities who are raising our students in less than ideal situations. All too often, no services are provided to students in need because there is simply no funding available to provide the services our students desperately need. This leaves the school district as the only organization to provide support. Public schools are not equipped to provide mental health services, nor should this become the responsibility of the public school system. Our state has state agencies that are already in place that need to be adequately funded so that they can take real actions to provide students and families in their communities the support and services they need.
- 9. Finally, if we do not invest in our educational system, Pepin Area Schools will continue to struggle to find qualified and talented teachers to work with our students. Pepin Area Schools had one applicant for our high school science teacher vacancy two years ago. We lost that person to Stevens Point! This year we had to recruit and are working with a young man who is completing his certification with the EDUcate program. Pepin Area Schools has had a Speech and Language Teaching position posted for over a month and have received zero applicants! What are small rural districts to do when we can't fill these positions? We need flexibility to survive the short term, but we as a state must take a look at how we are compensating our teachers if we want young adults to consider going into education at all. We need to find a way to motivate the best and the brightest to not only consider becoming a teacher, but find that education is a respected and worthy thing to do with their lives. The past decade has seen the morale of educators diminished for political gains. Both parties must quit playing politics with the education of our children or there will be very few quality educators to teach our next generation of students.

Thank you for your time,

Bruce Quinton, District Administrator
Pepin Area Schools